

AMENDED IN SENATE JUNE 25, 2015

AMENDED IN ASSEMBLY APRIL 30, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1431

Introduced by Assembly Member Gomez

February 27, 2015

An act to *amend Section 20919.15 of, and to add and repeal Article 60.4 (commencing with Section 20919.20) of of*, Chapter 1 of Part 3 of Division 2 of the Public Contract Code, relating to local public contracting.

LEGISLATIVE COUNSEL'S DIGEST

AB 1431, as amended, Gomez. Local Agency Public Construction Act: job order contracting.

Existing law, the Local Agency Public Construction Act, authorizes job order contracting, as provided, by the Los Angeles Unified School District (LAUSD), until December 31, 2020.

This bill would *repeal the provisions relating to the LAUSD and would instead* authorize job order contracting in a similar manner for school districts ~~other than LAUSD~~ until January 1, 2022. The bill would restrict job order contracting pursuant to the bill to school districts that have entered into a project labor agreement or agreements, as defined, that will apply to all public works in excess of \$25,000 undertaken by the school district through at least December 31, 2021, regardless of what contracting procedure is used to award that work. The bill would require job order contractors to submit a questionnaire to the school district containing specified information verified under oath. By

expanding the crime of perjury, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 20919.15 of the Public Contract Code is
2 amended to read:

3 20919.15. This article shall remain in effect only until
4 ~~December 31, 2020~~, January 1, 2016, and as of that date is
5 repealed, unless a later enacted statute, that is enacted before
6 ~~December 31, 2020~~, January 1, 2016, deletes or extends that date.

7 SECTION 1.

8 SEC. 2. Article 60.4 (commencing with Section 20919.20) is
9 added to Chapter 1 of Part 3 of Division 2 of the Public Contract
10 Code, to read:

11
12 Article 60.4. Job Order Contracting for School Districts

13
14 20919.20. The Legislature finds and declares all of the
15 following:

16 (a) It is the intent of the Legislature, in enacting this article, to
17 demonstrate an alternative and optional procedure for bidding of
18 public works projects that is applicable only to school districts
19 other than the Los Angeles Unified School District. The Legislature
20 has previously authorized the use of this alternative and optional
21 procedure in Article 60.3 (commencing with Section 20219) only
22 for the Los Angeles Unified School District, which is using the
23 procedure in conjunction with its project stabilization agreement.

24 (b) Districts should be able to utilize cost-effective options for
25 the delivery of public works projects, in accordance with the
26 national trend, which include authorizations in California, to allow
27 public entities to utilize job order contracts as a project delivery
28 method.

1 (c) The benefits of a job order contract project delivery system
2 include accelerated completion of the projects, cost savings, and
3 reduction of construction contracting complexity for the unified
4 school district.

5 (d) The job order contracting approach should be used for the
6 purposes of reducing project cost and expediting project
7 completion.

8 (e) The Legislature is uncertain of the benefits and advantages
9 of job order contracting for California school districts and therefore
10 looks forward to the reports required by Section 20919.32 in order
11 to fully and competently assess any further exemptions to the
12 school contracting process.

13 (f) The availability of job order contracting as a project delivery
14 method will not preclude the use of traditional methods of project
15 delivery if a traditional method results in higher cost savings.

16 (g) It is the intent of the Legislature that job order contracts be
17 competitively bid and awarded to the ~~bidder~~ *bidders* providing the
18 most qualified responsive ~~bid~~ *bids*. It is further the intent of the
19 Legislature that school districts use the job order contract process
20 pursuant to this article only if the school district has entered into
21 a project labor agreement that meets the requirements of Section
22 2500 for all its public works projects.

23 20919.21. As used in this chapter:

24 (a) "Adjustment factor" means the job order contractor's
25 competitively bid adjustment to the school district's prices as
26 published in the ~~catalog of construction tasks~~ *unit price catalog*.

27 ~~(b) "Catalog of construction tasks" means a book containing~~
28 ~~specific construction tasks and the unit prices to install or demolish~~
29 ~~that construction. The listed tasks shall be based on generally~~
30 ~~accepted industry standards and information, where available, for~~
31 ~~various items of work to be performed by the job order contractor.~~
32 ~~The prices shall include the cost of materials, labor, and equipment~~
33 ~~for performing the items of work. The prices shall not include~~
34 ~~overhead and profit. All unit prices shall be developed using local~~
35 ~~prevailing wages.~~

36 ~~(c)~~

37 ~~(b)~~ "Indefinite quantity" means one or more of the construction
38 tasks listed in the ~~catalog of construction tasks~~ *unit price catalog*.

39 ~~(d)~~

1 (c) “Job order” means a firm, fixed priced, lump-sum order
2 issued by the school district to a job order contractor for a definite
3 project scope of work as compiled from the ~~catalog of construction~~
4 ~~tasks~~ *unit price catalog* to be performed pursuant to a job order
5 contract. ~~No single job order may exceed one million dollars~~
6 ~~(\$1,000,000) in value.~~

7 (e)

8 (d) “Job order contract” means a contract, awarded to ~~the~~ a most
9 qualified bidder as described in paragraph (1) of subdivision (b)
10 of Section 20919.24, between the school district and a licensed,
11 bonded, and general liability insured contractor in which the
12 contractor agrees to a fixed period, ~~fixed-unit~~ *fixed-unit* price, and
13 indefinite quantity contract that provides for the use of job orders
14 for public works or maintenance projects.

15 (f)

16 (e) “Job order contract technical specifications” means a book,
17 published by the school district, detailing the technical
18 specifications with regard to quality of materials and workmanship
19 to be used by the job order contractor in accomplishing the tasks
20 listed in the ~~catalog of construction tasks~~. *unit price catalog*.

21 (g)

22 (f) “Job order contractor” means a licensed, bonded, and general
23 liability insured contractor awarded a job order contract.

24 (h)

25 (g) “Offer to perform work” means the job order contractor’s
26 proposal for a specific job order.

27 (i)

28 (h) “Plans and specifications” means the ~~catalog of construction~~
29 ~~tasks~~ *unit price catalog* and the job order contract technical
30 specifications. The scope of work to be performed with a job order
31 contract is potentially, but not necessarily, all the tasks published
32 in the ~~catalog of construction tasks~~. *unit price catalog*.

33 (j)

34 (i) “Project” means the specific requirements and work to be
35 accomplished by the job order contractor in connection with an
36 individual job order.

37 (k)

38 (j) “Project labor agreement” means an agreement that meets
39 the requirements of Section 2500.

40 (t)

1 (k) “Project scope of work” means the document and related
2 drawings, specifications, and writings referenced therein which
3 together set forth the specific requirements and work to be
4 accomplished by the job order contractor in connection with an
5 individual job order.

6 ~~(m)~~

7 (l) “Proposal” means the job order contractor prepared document
8 quoting those construction tasks listed in the ~~catalog of construction~~
9 ~~tasks~~ *unit price catalog* that the job order contractor requires to
10 complete the project scope of work, together with the appropriate
11 quantities of each task. The pricing of each task shall be
12 accomplished by multiplying the construction task unit price by
13 the proposed quantity and the contractor’s competitively bid
14 adjustment factor. The proposal shall also contain a schedule for
15 the completion of a specific project scope of work as requested by
16 the school district. The proposal may also contain approved
17 drawings, work schedule, permits, or other documentation as the
18 school district may require for a specific job order.

19 ~~(n)~~

20 (m) “Public works” has the same meaning as in Chapter 1
21 (commencing with Section 1720) of Part 7 of Division 2 of the
22 Labor Code.

23 ~~(o)~~

24 (n) “Public works project” has the same meaning as “public
25 project,” as defined in Section 22002.

26 ~~(p)~~

27 (o) “Subcontractor” means any person, firm, or corporation,
28 other than the employees of the job order contractor, who is bonded
29 and general liability insured and who contracts to furnish labor,
30 or labor and materials, at the worksite or in connection with a job
31 order, whether directly or indirectly on behalf of the job order
32 contractor.

33 ~~(q)~~

34 (p) “School district” means any school ~~district other than the~~
35 ~~Los Angeles Unified School District.~~ *district.*

36 (q) “Unit price catalog” means a book containing specific
37 construction tasks and the unit prices to install or demolish that
38 construction. The listed tasks shall be based on generally accepted
39 industry standards and information, where available, for various
40 items of work to be performed by the job order contractor. The

1 *prices shall include the cost of materials, labor, and equipment*
2 *for performing the items of work. The prices shall not include*
3 *overhead and profit. All unit prices shall be developed using local*
4 *prevailing wages.*

5 20919.22. Nothing in this article or in this code shall prohibit
6 the school district from utilizing job order contracting, as an
7 alternative to any contracting procedures that the school district
8 is otherwise authorized or required by law to use.

9 20919.23. (a) The school district may utilize job order
10 contracting pursuant to this article only if the school district has
11 entered into a project labor agreement or agreements that will apply
12 to all public works in excess of twenty-five thousand dollars
13 (\$25,000) undertaken by the school district through at least
14 December 31, 2021, regardless of what contracting procedure is
15 used to award that work.

16 (b) The school district shall prepare an execution plan for all
17 modernization projects that may be eligible for job order
18 contracting pursuant to this article. The school district shall select
19 from that plan a sufficient number of projects to be initiated as job
20 order contracts during each calendar year and shall determine for
21 each selected project that job order contracting will reduce the
22 total cost of that project. Job order contracting shall not be used if
23 the school district finds that it will increase the total cost of the
24 project.

25 20919.24. Bidding for job order contracts shall progress as
26 follows:

27 (a) (1) The school district shall prepare a set of documents for
28 ~~each job order contract.~~ *job order contracts.* The documents shall
29 ~~include a catalog of construction tasks~~ *a unit price catalog* and
30 preestablished unit prices, job order contract technical
31 specifications, and any other information deemed necessary to
32 describe adequately the school district's needs.

33 (2) Any architect, engineer, or consultant retained by the school
34 district to assist in the development of the job order contract
35 documents shall not be eligible to participate in the preparation of
36 a bid with any job order contractor.

37 (b) Based on the documents prepared under subdivision (a), the
38 school district shall prepare a request for bid that invites
39 prequalified job order contractors to submit competitive sealed
40 bids in the manner prescribed by the school district.

(1) (A) The prequalified job order contractors, as determined by the school district, shall bid one or more adjustment factors to the unit prices listed in the ~~catalog of construction tasks~~ *unit price catalog* based on the job order contract technical specifications. Awards shall be made to the prequalified ~~bidder~~ *bidders* that the school district determines to be the most qualified based upon preestablished criteria made by the school district. The prequalified ~~bidder~~ *bidders* must be in compliance with the school district's project labor agreement.

(B) Compliance shall constitute no more than three major violations on any school district projects within the last three years. If a contractor has more than three violations within a three-year period of time, the school district shall seek administrative review of the violations. Violations will include, but are not limited to, the following:

(i) Failure to register core workers with the appropriate building trade union.

(ii) Failure to assign apprentices in accordance with Section 1777.5 of the Labor Code.

(iii) Failure to comply with subdivision (c) of Section 20919.25.

(iv) Incorrect assignment of work in accordance with the school district's project labor agreement.

(2) The school district may award multiple job order ~~contracts~~. ~~Each job order contract~~ *contracts through a request for bid. Job order contracts* shall be awarded to the most qualified prequalified ~~bidder~~ *bidders* described in ~~paragraph (1)~~. *this subdivision*.

(3) The request for bids may encourage the participation of local construction firms and the use of local subcontractors.

(c) (1) The school district shall establish a procedure to prequalify job order contractors using a standard questionnaire that includes, at a minimum, the issues covered by the standardized questionnaire and model guidelines for rating bidders developed by the Department of Industrial Relations pursuant to subdivision (a) of Section 20101. This questionnaire shall require information including, but not limited to, all of the following:

(A) If the job order contractor is a partnership, limited partnership, or other association, a listing of all of the partners or association members known at the time of bid submission who will participate in the job order contract.

1 (B) Evidence that the members of the job order contractor have
2 the capacity to complete projects of similar size, scope, or
3 complexity, and that proposed key personnel have sufficient
4 experience and training to competently manage the construction
5 of the project, as well as a financial statement that assures the
6 school district that the job order contractor has the capacity to
7 complete the project.

8 (C) The licenses, registration, and credentials required to
9 perform construction, including, but not limited to, information
10 on the revocation or suspension of any license, credential, or
11 registration.

12 (D) Evidence that establishes that the job order contractor has
13 the capacity to obtain all required payment and performance
14 bonding and liability insurance.

15 (E) Information concerning workers' compensation experience
16 history, worker safety programs, and apprenticeship programs.

17 (i) An acceptable safety record as determined by the school
18 district. In its determination, the school district shall consider, but
19 is not required to find, a contractor's safety record as acceptable
20 if its experience modification rate for the most recent three-year
21 period is an average of 1.00 or less, and its average total recordable
22 injury/illness rate and average lost work rate for the most recent
23 three-year period do not exceed the applicable statistical standards
24 for its business category or if the contractor is a party to an
25 alternative dispute resolution system as provided for in Section
26 3201.5 of the Labor Code.

27 (ii) Skilled labor force availability as determined by the
28 existence of an agreement with a registered apprenticeship program,
29 approved by the California Apprenticeship Council, that has
30 graduated apprentices in each of the preceding five years. This
31 graduation training for any craft that was first deemed by the
32 Department of Labor and the Department of Industrial Relations
33 to be an apprenticeable craft within the five years prior to the
34 effective date of this article.

35 (F) A full disclosure regarding all of the following that are
36 applicable:

37 (i) Any serious or willful violation of Part 1 (commencing with
38 Section 6300) of Division 5 of the Labor Code or the federal
39 Occupational Safety and Health Act of 1970 (Public Law 91-596),
40 settled against any member of the job order contractor.

1 (ii) Any debarment, disqualification, or removal from a federal,
2 state, or local government public works project.

3 (iii) Any instance where the job order contractor, or its owners,
4 officers, or managing employees submitted a bid on a public works
5 project and were found to be nonresponsive, or were found by an
6 awarding body not to be a responsible bidder.

7 (iv) Any instance where the job order contractor, or its owners,
8 officers, or managing employees defaulted on a construction
9 contract.

10 (v) Any violations of the Contractors' State License Law
11 (Chapter 9 (commencing with Section 7000) of Division 3 of the
12 Business and Professions Code), excluding alleged violations of
13 federal or state law regarding the payment of wages, benefits,
14 apprenticeship requirements, or personal income tax withholding,
15 or of Federal Insurance Contribution Act (FICA) withholding
16 requirements settled against any member of the job order
17 contractor.

18 (vi) Any bankruptcy or receivership of any member of the job
19 order contractor, including, but not limited to, information
20 concerning any work completed by a surety.

21 (vii) Any settled adverse claims, disputes, or lawsuits between
22 the owner of a public works project and any member of the job
23 order contractor during the five years preceding submission of a
24 bid under this article, in which the claim, settlement, or judgment
25 exceeds fifty thousand dollars (\$50,000). Information shall also
26 be provided concerning any work completed by a surety during
27 this period.

28 (G) In the case of a partnership or any association that is not a
29 legal entity, a copy of the agreement creating the partnership or
30 association and specifying that all partners or association members
31 agree to be fully liable for the performance under the job order
32 contract.

33 (2) The information required under this subdivision shall be
34 verified under oath by the entity and its members in the manner
35 in which civil pleadings in civil actions are verified. Information
36 that is not a public record under the California Public Records Act
37 (Chapter 3.5 (commencing with Section 6250) of Division 7 of
38 Title 1 of the Government Code) shall not be open to public
39 inspection.

20919.25. (a) The maximum total dollar amount that may be awarded under a single job order contract shall not exceed five million dollars (\$5,000,000) in the first term of the job order contract and, if extended or ~~renewed~~, *renewed pursuant to subdivision (b), a maximum of ten million dollars (\$10,000,000) over the maximum subsequent two terms of the job order contract adjusted annually to reflect the percentage change in the California Consumer Price Index.* contract.

(b) Job order contracts may be executed for an initial contract term of no more than 12 months, with the option of extending or renewing the job order contract for two 12-month periods. The term of the job order contract shall be for the contract term or whenever the maximum value of the contract is achieved, whichever is less. All extensions or renewals shall be priced as provided in the request for bids. The extension or renewal shall be mutually agreed to by the school district and the job order contractor.

(c) The school district may issue job orders to the job order contractor that has been awarded the job order contract. The job order issued to the job order contractor shall not commence for seven days from the time the job order was issued and the job order contractor shall provide a minimum of seven ~~days~~ *days*' notice for the addition of any subcontractor or substitution of any subcontractor as described in subdivision (e) of Section 20919.26. The job order shall be based on a project scope of work prepared by the school district as well as a proposal from the job order contractor who is awarded the job order contract. No single job order may exceed one million dollars (\$1,000,000).

(d) The amounts specified in subdivisions (a) and (c) shall be adjusted on January 1, 2016, as if this section was operative beginning January 1, 2004, to reflect the percentage change in the California Consumer Price Index, and shall be adjusted each January 1 thereafter to reflect the percentage change in the California Consumer Price Index.

~~(d)~~
(e) It is unlawful to split or separate into smaller job orders any project for the purpose of evading the cost limitation provisions of this chapter.

~~(e)~~

1 (f) All work performed under the job order contract shall be
2 covered by a project labor agreement.

3 (~~f~~)

4 (g) Any change or alteration to a job order shall be in compliance
5 with Section 20118.4.

6 20919.26. (a) All work bid under the job order *contract* shall
7 comply with Chapter 4 (commencing with Section 4100) of Part
8 1 and is subject to all of the penalties and provisions set forth in
9 that chapter.

10 (b) For purposes of this article, if the primary job order
11 contractor chooses to use subcontractors, the primary job order
12 contractor is required to verify that the subcontractors possess the
13 appropriate licenses and credentials required to perform
14 construction.

15 (c) Notwithstanding subdivision (a), the primary job order
16 contractor may use subcontractors that are not listed at the time
17 the job order is issued if the work to be performed under that job
18 order is less than ten thousand dollars (\$10,000).

19 (d) If the primary job order contractor chooses to use a
20 subcontractor that is not listed at the time of bid to perform work
21 on a job order, ~~both~~ all of the following apply:

22 (1) The primary job order contractor shall provide public notice
23 of the availability of work to be subcontracted by trade. The public
24 notice shall include the scope of work; the project location; the
25 name, address, and the telephone number of the primary job order
26 contractor; and the closing date, time, and location for sealed bids
27 to be submitted.

28 (2) The primary job order contractor shall take sealed bids from
29 the subcontractors solicited for the proposal. These bids shall be
30 publicly opened at a prescribed time and place by the primary job
31 order contractor. After the bids are opened, the job order contractor
32 shall notify the school district which subcontractor was selected.

33 (3) The notification shall include every subcontractor for all
34 tiers and must establish the authorized subcontractor list for the
35 job order. Work shall not commence prior to seven-~~days~~ *days*'
36 notice of the established subcontractor list and the subsequent
37 addition of any subcontractor to the job order.

38 (4) The notification shall identify the scope of the work to be
39 performed by each subcontractor to the job order, broken down

1 by craft. If a subcontractor performs multiple crafts, the job order
2 contractor shall identify the work of each craft to be performed.

3 (e) If the primary job order contractor chooses to make a
4 substitution to the subcontractor list, the primary job order
5 contractor shall provide a minimum of seven days' notice to the
6 school district along with justification as to the need for the
7 substitution. The school district may request a hearing to evaluate
8 the substitution request, which shall be in accordance with Chapter
9 4 (commencing with Section 4100) of Part 1.

10 (f) If the school district determines that there has been a violation
11 of Chapter 4 (commencing with Section 4100) of Part 1, including
12 bid shopping by the primary job order contractor, the school district
13 may terminate the job order or the contractor may lose
14 authorization to proceed with awarded work subject to the school
15 district's administrative due process review, if such review is
16 established pursuant to the school district's project labor agreement.
17 If the school district determines that a job order contractor has
18 violated any provision set forth in Chapter 4 (commencing with
19 Section 4100) of Part 1, the school district may declare the
20 contractor ineligible for future job orders and may result in a loss
21 of prequalification status for a period of time to be determined by
22 the school district.

23 20919.27. (a) A job order contract shall set forth in the general
24 conditions of the job order contract the party or parties responsible
25 for seeing that the provisions of Article 2 (commencing with
26 Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor
27 Code are complied with.

28 (b) For purposes of job order contracting, prevailing wages
29 when required to be paid shall apply to all work ordered under the
30 job order contract regardless of thresholds set forth in Section
31 1771.5 of the Labor Code.

32 (c) The job order contractor shall pay the prevailing wage in
33 effect at the time the job order is issued by the school district and
34 all increases as published by the Department of Industrial Relations
35 for the term of the job order contract, including all overtime,
36 holiday, and shift provisions published by the Department of
37 Industrial Relations.

38 (d) The school district shall designate one individual to act as
39 a monitor to inspect job sites for labor compliance violations at

1 the request of the designated labor representative in its project
2 labor agreement.

3 20919.28. A willful violation of Section 20919.26 occurs when
4 the job order contractor or subcontractor knew or reasonably should
5 have known of his or her obligations under the public works law
6 and deliberately fails or refuses to comply with its provisions. The
7 school district using job order contracting shall publish and
8 distribute to the Labor Commissioner a list of all job order
9 contractors or subcontractors who violate this provision and the
10 school district shall not award a job order contract or any future
11 job orders under an existing job order contract to any contractor
12 or subcontractor who violates this provision during the effective
13 period of debarment of the contractor or subcontractor.

14 20919.29. For purposes of employment of apprentices on job
15 order contracts, when the individual job order involves more than
16 thirty thousand dollars (\$30,000) or 20 working days, all general
17 contractors or subcontractors shall at all times be in compliance
18 with Section 1777.5 of the Labor Code and shall comply with the
19 following:

20 (a) Prior to commencing work on an individual job order, every
21 contractor shall submit job order award information to an
22 applicable apprenticeship program that can supply apprentices to
23 the site of the job order. The information submitted shall include
24 an estimate of the journeyman hours to be performed under the
25 contract, the number of apprenticeships proposed to be employed,
26 and the approximate dates the apprentices would be employed. A
27 copy of this information shall also be submitted to the awarding
28 agency if requested by the awarding agency.

29 (b) The ratio of work performed by apprentices to journeymen
30 employed in a particular craft or trade on the job order may be no
31 higher than the ratio stipulated in the apprenticeship standard under
32 which the apprenticeship program operates where the job order
33 contractor agrees to be bound by those standards but, except as
34 otherwise provided in Section 1777.5 of the Labor Code, in no
35 case shall the ratio be less than one hour of apprenticeship work
36 for every five hours of journeyman work.

37 (c) Every apprentice employed under the job order contract shall
38 be paid the prevailing rate of per diem wages for apprentices in
39 the trade to which he or she is registered and shall be employed

1 only at the work of the craft or trade to which he or she is
2 registered.

3 (d) Every apprentice employed under the job order contract
4 shall be hired from the local joint labor management apprenticeship
5 committee that has jurisdiction in the geographic area of the
6 project.

7 20919.30. A job order contractor or subcontractor that
8 knowingly violates the provisions involving employment of
9 apprentices shall forfeit as a civil penalty an amount not exceeding
10 one hundred dollars (\$100) for each full calendar day of
11 noncompliance. The amount of this penalty shall be based on
12 consideration of whether the violation was a good faith mistake
13 due to inadvertence. A contractor or subcontractor that knowingly
14 commits a second or subsequent violation of the provisions
15 involving employment of apprentices within a three-year period
16 where the noncompliance results in apprenticeship training not
17 being provided as required, shall forfeit as a civil penalty a sum
18 of not more than three hundred dollars (\$300) for each full calendar
19 day of noncompliance and shall not be awarded any further job
20 orders under the job order contract and shall be precluded for a
21 period of one year from bidding on any future job order contracts.

22 20919.31. In order to prevent fraud, waste, and abuse, the
23 school district adopting job order contracting shall do all of the
24 following:

25 (a) Prepare for each individual job order developed under a job
26 order contract an independent school district estimate. The estimate
27 will be prepared prior to the receipt of the contractor's offer to
28 perform work and will be compared to the contractor's proposed
29 price to determine the reasonableness of that price before issuance
30 of any job order. The basis for any adjustments to the school district
31 estimate is to be documented. In the event that the contractor's
32 proposal for a given job order is found to be unreasonable, not cost
33 effective, or undesirable, the school district is under no obligation
34 to issue the job order to the job order contractor, and may instead
35 utilize any other available procurement procedures.

36 (b) The school district shall not issue a job order until the job
37 order has been reviewed and approved by ~~at least two levels~~ *the*
38 *appropriate level* of management.

39 (c) Once a job order has been issued, all documents pertaining
40 to preparation and approval of the job order, including the

1 independent school district estimate, shall be available for public
2 review.

3 20919.32. If the school district adopts the job order contracting
4 process, the school district shall submit to the Office of Public
5 School Construction in the Department of General Services, the
6 Senate Committee on Business, Professions and Economic
7 Development and Assembly Committee on Business, Professions
8 and Consumer Protection, the Senate and Assembly Committees
9 on Education, and the Joint Legislative Budget Committee before
10 December 31, 2019, a report containing a description of each job
11 order contract procured, and the work under each contract
12 completed on or before June 30, 2019. The report shall be prepared
13 by an independent third party and the school district shall pay for
14 the cost of the report. The report shall include, but not be limited
15 to, all of the following information:

16 (a) A listing of all projects completed under each job order
17 contract.

18 (b) The job order contractor that was awarded each contract.

19 (c) The estimated and actual project costs.

20 (d) The estimated procurement time savings.

21 (e) A description of any written protests concerning any aspect
22 of the solicitation, bid, proposal, or award of the job order contract,
23 including, but not limited to, the resolution of the protests.

24 (f) An assessment of the prequalification process and criteria.

25 (g) A description of the labor force compliance program required
26 under Section 20919.24, and an assessment of the impact on a
27 project where compliance with that program is required.

28 (h) Recommendations regarding the most appropriate uses for
29 the job order contract process.

30 ~~20919.33. If, after 30 days from receipt of the invoice, a~~
31 ~~contract has not been paid, the contractor shall contact the~~
32 ~~designated school district employee to resolve payment. If the~~
33 ~~contact with the school district's designee does not provide full~~
34 ~~payment within three business days, the contractor may request a~~
35 ~~special convening of the payment resolution committee.~~

36 ~~(a) The payment resolution committee shall be composed of a~~
37 ~~representative of the contractor, a representative from labor, a~~
38 ~~representative designated by the director of facilities within the~~
39 ~~school district, and a representative designated by the director of~~
40 ~~facilities support services within the school district.~~

1 ~~(b) After convening, the committee shall make its~~
2 ~~recommendation of payment within three business days.~~

3 20919.33. *A school district that adopts the job order*
4 *contracting process shall also adopt a payment resolution process*
5 *which may include, but not be limited to, the convening of a*
6 *payment resolution committee.*

7 20919.34. This article shall remain in effect only until January
8 1, 2022, and as of that date is repealed, unless a later enacted
9 statute, that is enacted before January 1, 2022, deletes or extends
10 that date.

11 ~~SEC. 2.~~

12 SEC. 3. No reimbursement is required by this act pursuant to
13 Section 6 of Article XIII B of the California Constitution because
14 the only costs that may be incurred by a local agency or school
15 district will be incurred because this act creates a new crime or
16 infraction, eliminates a crime or infraction, or changes the penalty
17 for a crime or infraction, within the meaning of Section 17556 of
18 the Government Code, or changes the definition of a crime within
19 the meaning of Section 6 of Article XIII B of the California
20 Constitution.